

State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director JOHN R. BAZA Division Director

Inspection Report Minerals Regulatory Program

Report Date: April 6, 2012

Reviewed:	The
11011011001	

Mine Name: TME Asphalt Ridge, TME AR Lecy, and Cameron	n Permit Number: M/047/0089, S/047/0088, and S/047/0036			
Operator Name: TME Asphalt Ridge LLC	Inspection Date: April 3, 2012			
Inspector(s): Paul Baker and Tom Munson	Time: About 12:30-1:30 PM			
Other Participants: none	Mine Status: Inactive			
Elements of Inspection	Evaluated Comment Enforcem			

	Elements of Inspection	Evaluated	Comment	Enforcement
1.	Permits, Revisions, Transfer, Bonds	\bowtie	\boxtimes	
2.	Public Safety (shafts, adits, trash, signs, highwalls)	\boxtimes		
3.	Protection of Drainages / Erosion Control			
4.	Deleterious Material	$\overline{\boxtimes}$	\square	
5.	Roads (maintenance, surfacing, dust control, safety)			
6.	Reclamation			
7.	Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)			
8.	Soils			
9.	Revegetation	\boxtimes	\boxtimes	
0.	Other	\boxtimes	\boxtimes	

<u>Permit fee</u>: Current for all three mines S/047/0088; 3/8/2009 for S/047/0036 <u>Bond Amount</u>: \$1,151,713 for M/047/0089, \$24,600 for S/047/0088; \$22,100 for S/047/0036

<u>Purpose of Inspection</u>: This was a routine inspection.

Weather: Mostly clear, 60s.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds

On January 23, 2012, the Division issued a directive that the operator submit an amendment to the plan for M/047/0089 consolidating the three permits at this site. The deadline for submitting the amendment is April 23, 2012.

4. Deleterious Material

There is a large tent-type building labeled upgrader facility, and near this building there are about 50 barrels and other containers (Photo 2), mostly full, labeled tergitol, heat transfer oil, condensate, antifreeze, and 15W-40. Some of the containers were not labeled. These containers are in an open, bermed area lined with asphalt. There are also a few barrels labeled tergitol in the upgrader facility building.

There are five large, upright tanks, one alone near the upgrader facility and four in another location (Photo 1). The one near the upgrader facility appears to be empty. Three of the other tanks appeared to be about half full, but we could not look into the fourth tank. There was no odor from any of these tanks, so we believe they may contain water.



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9. Revegetation

There are two areas near the stream that were deeply pocked then seeded a few years ago. One of these areas (Photo 5) has a fair amount of topsoil, and I believe it was seeded in 2007. It has excellent vegetation cover, including rabbitbrush, fourwing saltbush, and robust grasses. The other areas (Photo 6) have very little soil and little vegetation though there are few weeds. Some of the pocks have grasses (Indian ricegrass?), rabbitbrush, sagebrush, and fourwing saltbush.

10. Other

The site has the appearance of being abandoned although we could see no imminent danger to the public or the environment. Photos 3 and 4 show the interior of the upgrader facility. Much of the equipment has been vandalized (Photos 7 and 8).

There are two large stockpiles of oil sand ore, one of which is shown in Photo 11, that are a reclamation liability.

The pit is shown in Photos 9 and 10.

Conclusions and Recommendations:

I believe it is clear from the revegetation work done recently that it is vital for the operator to save and use topsoil. Material that contains largely asphalt/oil sand does not work well as a growth medium

As far as I have been able to determine, the barrels do not pose a particular environmental or public safety hazard at this time, but I encourage the operator to remove them before they become a problem. Since there has been vandalism, there is no guard, and since the site is fairly close yet not immediately adjacent to a public highway, it would be easy for someone to shoot at the barrels or otherwise vandalize them. They are starting to rust a little.

The Division is allowed to require reclamation after five years of inactivity and must require reclamation after a site has been inactive for ten years unless the operator gains approval from the Board for a longer period of suspension of operations. The last reported production at the Cameron mine was in 2007. The TME AR Lecy mine had three tons of production in 2011 with the last significant production in 2009.

The Division and the operator should continue to monitor these sites and ensure conditions do not deteriorate.

Inspector's Signature
PNB: Tother contributors |: pbb

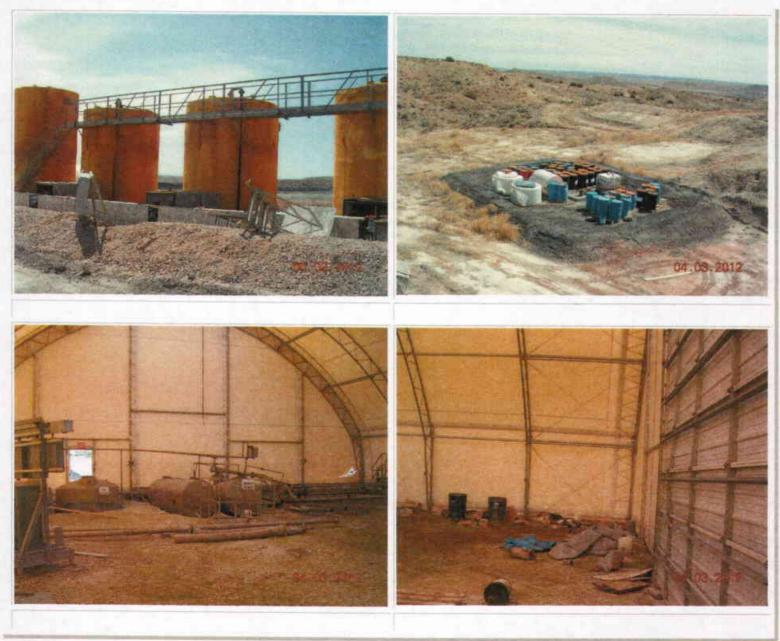
cc: Jim Runquist, TME

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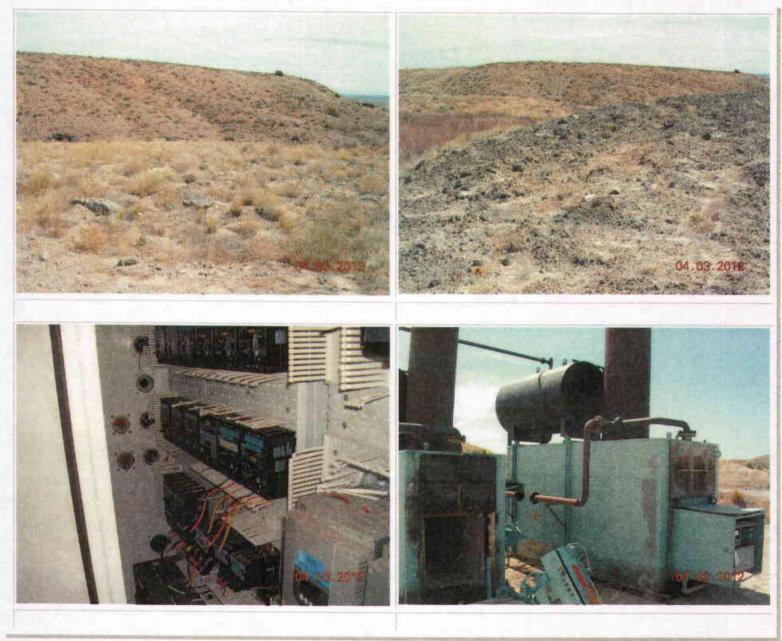
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